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DFT 002186

ERICKSON & BARKSHIRE, P.S.

ATTORNEYS AT LAW

10801 MAIN STREET, SUITE 100
BELLEVUE, WASHINGTON 98004

TELEPHONE (206) 455-1414
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STANLEY E. ERICKSON
MARY ANN BARKSHIRE
TERENCE A. LEAHY

February 15, 1996

Dave Sweeney
Foster Pepper & Shefelman
1111 Third Ave., #3400
Seattle, WA 98101

RE: Oxbow

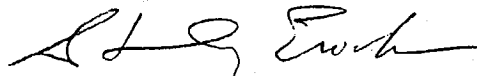
Dear Dave:

Pursuant to your request, enclosed you will find a copy of the final executed Sub-Ground Lease agreement dated December 27, 1995. Please note that in paragraph 2 there is a specific acknowledgement by the Postal Service that the real property is subject to the October 20, 1995 ground lease addendum.

If you have any questions, please call.

Sincerely,

ERICKSON & BARKSHIRE, P.S.



Stanley E. Erickson

SEE:pp
Enclosure
cc: Gary Fluhrer

P.S. I am working on the Boeing easement.

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U.S. Postal Service
Facilities Department
Sub-ground Lease Agreement

COPY

Unit/Post Office Name & Address	P&DC/DDC SUB-GROUND LEASE - SEATTLE, WA 98134-9998	KING COUNTY
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1. This AGREEMENT, made and entered into this 27 day of December, 1995 by and between OXBOW HOLDINGS, INC. hereinafter, whether one or more, called 'Owner', and the United States Postal Service, hereinafter called 'Postal Service' or 'USPS', an independent establishment of the Executive Branch of the United States Government, its successors and assigns.

WITNESSETH: The parties hereto for the consideration hereinafter mentioned covenant and agree as follows:

2. LEASE AND DESCRIPTION OF DEMISED PREMISES. Owner hereby leases to Postal Service and Postal Service hereby leases from Owner, the real property, legally described on Exhibit A attached hereto and by this reference made a part hereof, located in the City of Tukwila, King County, State of Washington ("Premises" or "Demised Premises"). The Demised Premises is located within the development commonly known as Oxbow Corporate Park. Except as may be expressly provided otherwise in this Lease, Owner shall lease, and Postal Service shall accept, the Demised Premises in its "AS-IS" condition as of the Commencement Date. Postal Service further acknowledges that except as may be expressly set forth in this Lease, neither Owner nor any employee, agent, representative, or purported agent or representative, of Owner has made any representations or warranties of any kind, express or implied, as to the condition of the Demised Premises or the suitability of the Demised Premises, for Postal Service's intended use or contemplated configuration of the Demised Premises.

Postal Service acknowledges that the real property legally described on Exhibit A is leased by Owner pursuant to the terms of that certain Ground Lease, dated June 1, 1987 and as amended on October 27, 1987 and October 20, 1995, between Rainier National Bank, Mondo Desimone and Rose D. Maselli, et al., as Lessor, and Sabey Corporation, as Postal Service, that certain Ground Lease, dated June 1, 1987, between City of Seattle, as Lessor, and Sabey Corporation, as Lessee, and that certain Ground Lease, dated February 3, 1989 and as amended on October 20, 1995, between Katherine M. Desimone, individually and as trustee, as Lessor, and Sabey Corporation, as Lessee (collectively, the "Ground Leases"). This Lease is and shall at all times be subject to the Ground Leases and any amendments or modifications thereof made prior to the commencement date of this Lease.

Owner and Postal Service shall each deliver to the other copies of all notices received by such party under the Ground Leases, including, without limitation, copies of all notices of assessments and tax bills, and any increases in any amount payable under any of the Ground Leases in a timely fashion. Postal Service acknowledges that Owner has provided it with copies of the Ground Leases.

Additionally, Lessor shall perform the following work as provided below:

2.1. Access Bridge. On or before the date on which Lessee has completed its installation of all of its trade fixtures and machinery and the Premises is otherwise ready for Lessee to commence full-scale operations in the Premises ("Fixturing Period"), Landlord, at Landlord's expense, shall design and complete construction of an upgrade to the bridge crossing the

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Duwamish River at South 102nd Avenue ("102nd Avenue Bridge"). It is anticipated that Lessor's design of the 102nd Avenue Bridge upgrade shall reflect the following:

- (i) Design Code: AASHTO
- (ii) Design Live Load: AASHTO HS20 truck loading in traffic lanes, 100 #/sf on sidewalk
- (iii) Functional Requirements: The width of the new bridge structure will be approximately 34' total to accommodate two approximately 12' lanes of traffic and one 5' wide pedestrian sidewalk. The slope of the Oxbow Bridge will be lowered as much as reasonably possible to facilitate better traffic flow.
- (iv) Constructability Requirements: The use of prefabricated structural elements will constitute the majority of the superstructure. The final design will be consistent with the preliminary design. Composite is asphalt over pre-cast concrete planks supported by steel wide-flange beams.
- (v) In the event that USPS does not have constructive use of the access bridge at the end of the "Fixturing Period", or one (1) year after the Commencement Date, whichever is later, then Lessor will provide temporary access over the existing Boeing bridge located approximately six hundred feet north and if said temporary access is not available the Rent shall be abated \$275.00 per day until such time as full access is available.

Lessee shall provide Lessor with written notice of the date on which it expects to complete its Fixturing Period at least three (3) months in advance of such date.

2.2. Easements. As of the date on which Lessor is obligated to complete its work described in Paragraph 2.1., above, Lessor shall have obtained a (i) non-exclusive easement to provide access from the Premises and going east across to the 102nd Avenue Bridge sufficient for standard industrial use until 2006; and (ii) a non-exclusive easement to provide access from the west side of the 102nd Avenue Bridge to East Marginal Way sufficient for standard industrial use for a term extending through May 31, 2032. On or before 2006, Lessor shall have obtained a non-exclusive easement (or other equivalent access agreement) from the Premises east across to the 102nd Avenue Bridge sufficient for standard industrial use for a term extending through May 31, 2032. Lessee agrees to cooperate with and assist Lessor in its efforts to acquire said access easement. In the highly unlikely event Lessor is unable to acquire said easement through negotiations, Lessor shall, at its sole cost and expense, institute appropriate legal action, as required, in order to obtain said access easement. In the event Lessee is required to expend funds to assist in acquiring said access easement, Lessor shall pay the costs incurred by Lessee.

Lessee's portion of any maintenance or general real estate taxes which may be or become payable by Lessor in connection with such easements shall be reimbursed by Lessee to Lessor as Additional Rent within thirty (30) days of Lessor's billing. Lessee's portion shall be based upon the assessed fair market value of the land and improvements under Lessee's control as compared to the assessed fair market value of the land and improvements under Lessor's control.

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3. TERM. Lessee's lease of the Premises shall be for a term of approximately thirty-six (36) years, commencing on the date of acceptance of this Lease by Lessee ("Commencement Date") and terminating on May 31, 2032 ("Expiration Date") or such earlier or later date as may be provided for under this Lease. Lessor agrees to execute any necessary renewal options on existing ground leases necessary to maintain said tenancy through May 31, 2032.

4. COMMENCEMENT DATE. Postal Service's lease of the Demised Premises shall commence on the date of closing of the purchase by Postal Service of the improvements located on the Premises ("Commencement Date"), pursuant to Postal Service's option to purchase contained in that certain Lease between the parties dated Nov. 16, 1995, and shall be subject to all of the terms and conditions of this Lease.

5. RENTAL:

5.1 Base Rent. Commencing on the Commencement Date, Owner shall pay prior to delinquency all amounts paid, or payable by Owner under the Ground Leases relating to the Premises leased hereto, including, without limitation, all monthly rental, the cost of any insurance, as identified in the existing Ground Lease maintained by Owner under any of the Ground Leases, general and special taxes, assessments, charges for utilities or other public services that may be or become payable by Owner under any or all of the Ground Leases ("Ground Lease Rent"). Postal Service shall pay and reimburse Owner each month for all Ground Lease Rent, which amount shall be payable to Owner as follows: (i) in the case of Ground Lease Rent to be paid on a monthly basis under the Ground Leases, such amounts shall be payable in advance, on the first day of each calendar month throughout the term of the Lease; and (ii) in the case of Ground Lease Rent payable under the Ground Leases on other than a monthly basis, including, without limitation, all taxes and assessments, such amounts shall be payable as provided in the Tax Rider or, in the case of amounts not covered by the Tax Rider, thirty (30) days from the date of Owner's billing. The Ground Lease Rent and all other amounts which are payable by Postal Service to Owner pursuant to this Lease, the Tax Rider, and the General Conditions shall be payable by Postal Service as base rent ("Base Rent") as may be provided in this Lease, the Tax Rider or the General Conditions. Postal Service's obligation to pay Base Rent shall commence on the Commencement Date, and shall continue throughout the term of this Lease. A copy of the Ground Leases are attached hereto and by this reference made a part hereof for purposes of payment provisions and other purposes specifically set forth in this Sub-ground Lease only. Said Ground Leases detail the amounts due thereunder which will constitute the Ground Lease Rent. In the event Lessor fails to pay any rents due under the Ground Lease, Lessee shall have the right to make said payments to the Ground Lessor and to deduct or off set said rents from the rent due under this Lease.

5.2 Interest on Late Payments; Late Charge. If any Base Rent is not paid on the due date thereof, unless prohibited by Contract Disputes Act: (i) such overdue amounts shall bear interest (said total interest offset by any interest from Prompt Payment Act and Contract Disputes Act requirements) at a rate equal to three percentage points above the prime rate of interest stated from time to time by Seattle-First National Bank or its successor, or, in the absence of an established prime rate, five (5) percentage points over that bank's rate for one year certificates of deposit, but not in excess of the highest lawful rate permitted under applicable laws, calculated from the original due date thereof to the date of payment; and (ii)

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Postal Service shall pay Owner a late charge equal to five percent (5%) of such overdue amount; provided, however, in the event such amounts have not been paid by the thirtieth (30th) day after the due date, an additional five percent (5%) late charge shall accrue and if not paid after the forty-fifth (45th) day, an additional five percent (5%) late charge shall accrue. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Owner will incur by reason of late payment by Postal Service, the exact amount of which would be difficult to ascertain. Acceptance by Owner of any partial amounts due under the Lease shall in no event constitute a waiver of Postal Service's default with respect to any overdue amount, nor prevent Owner from exercising any of its other rights and remedies granted under this Lease or by law or in equity."

5.3 All rent shall be payable at the beginning of each calendar month to:

OXBOW HOLDINGS, INC.
101 ELLIOT AVE W STE 330
SEATTLE, WA 99119-4220

unless the Contracting Officer is notified, in writing by Lessor, of any change in payee or address at least sixty (60) days before the effective date of the change.

6. RENEWAL OPTIONS. Upon the expiration of the term of the lease (including any extended term), Postal Service shall have a first right of refusal to extend the term of this Lease, on the same terms and subject to the same conditions as set forth in the Ground Leases.

7. The following additional provisions, modifications, riders, layouts, exhibits, and/or forms were agreed upon prior to execution of this Agreement and are attached hereto and made a part hereof:

Reimbursement Tax Rider (T-1), General Conditions to the Sub-ground Lease, Facilities Department Representations and Certifications, Ground Lessor Agreements, Existing Ground Leases, Mortgagee's Agreement.

8. Upon request of the USPS, Owner shall provide complete documentation of owner's legal authority to execute this Agreement.

9. The Owner hereby agrees that upon execution of this Agreement by the Owner, the agents, employees or representatives of the Postal Service shall have the right, subject to the use made of the premises by the Owner, to enter upon the said premises for the sole purpose of inspecting the same and making test borings, plans and topographical surveys in connection with the Postal Service's contemplated use of the premises and all other acts necessary or incidental thereto.

10. QUIET ENJOYMENT. Refer to Paragraph A.21 (f.) to the General Conditions to the Sub-ground Lease.

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11. To the extent applicable, the Owner agrees to cooperate in obtaining any permits, licenses or authorizations necessary and incidental to the construction or placement of improvements on the Demised Premises. Failure of the Owner to cooperate and assist shall be a breach of this Lease.

12. ALTERATIONS AND ADDITIONS. The Postal Service shall not, without Owner's prior written consent not to be unreasonably withheld, (i) make any structural alterations, additions, improvements or utility installations in, on or about the Demised Premises, including without limitation any penetrations in the roof, or (ii) make any alterations or additions which could change the traffic flow around the Demised Premises. As a condition to giving such consent, Owner may require that the Postal Service agree to remove any such alterations, additions, improvements or utility installations at the expiration of the term and to restore the Demised Premises to their prior condition. Unless Owner so requires their removal and except as provided in the Ground Leases, all alterations, additions, improvements and utility installations (whether or not such utility installations constitute trade fixtures of the Postal Service), which may be made on the Demised Premises shall, at the expiration or earlier termination of the Lease become the property of Owner and remain upon and be surrendered with the Demised Premises. Notwithstanding the provisions of this Paragraph 12, personal property, business and trade fixtures, cabinetwork, furniture, movable partitions, machinery and equipment, other than that which is affixed to the Demised Premises or which cannot be removed without damage to the Demised Premises, shall remain the property of the Postal Service and shall be removed by the Postal Service; however, the Postal Services' shall be obligated to repair any damage caused by said removal beyond ordinary and reasonable wear and tear.

13. MEMORANDUM OF LEASE. Upon the request of the Postal Service, the Owner shall at its expense record a Memorandum of this Lease in the proper recording office. Said expense shall include all required fees.

14. Subject to the prior written consent of Owner, which consent shall not be unreasonably withheld; provided Owner shall have the right to withhold approval if Owner reasonably determines the proposed use is inconsistent with the existing or anticipated uses on the adjacent property, the Postal Service may sublet or assign all or any part of the Demised Premises, including any improvements thereon, but shall not be relieved from any obligation under this Agreement except as may be agreed to by the Owner and the Postal Service. Each subletting or assignment shall be executed in writing by the sublessee or assignee who shall agree to be bound by and to perform the terms, covenants, and conditions of this Agreement.

15. Deleted

16. HAZARDOUS/TOXIC CONDITIONS CLAUSE

"Friable asbestos material" means any material containing more than 1% asbestos by weight that hand pressure can crumbles pulverize, or reduce to powder when dry. Sites cannot have contaminated soil, undisclosed underground storage tanks.

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Unless due to the act or negligence of the Postal Service, if contaminated soil, water, underground storage tanks or piping or friable asbestos or any other hazardous/toxic materials or substances as defined by applicable Local, State or Federal law is subsequently identified on the premises, the Lessor agrees to remove such materials or substances upon notification by the U. S. Postal Service at Lessor's sole cost in accordance with EPA and/ or State guidelines. If the Lessor fails to remove the asbestos or hazardous/ toxic materials or substances, the Postal Service has the right to accomplish the work and deduct the cost plus administrative costs, from future rent payments or recover these costs from Lessor by other means, or may, at its sole option, cancel this Lease. In addition, the Postal Service may proportionally abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition.

By execution of this Lease the Lessor certifies to the best of Lessor's knowledge:

(1) The property and improvements are free of all contamination from petroleum products or any hazardous/toxic or unhealthy materials or substances including friable asbestos, as defined by applicable State or Federal law.

(2) There are no undisclosed underground storage tanks or associated piping on the property.

The Lessor hereby indemnifies the Postal Service and its officers, agents, representatives, and employees from all claims, loss, damage, actions, causes of action, expense and/or liability resulting from, brought for, or on account of any violation of this clause.

Permitted Uses. The Premises are to be used only for a general mail processing and distribution facility ("Permitted Uses") and for no other business or purpose without the prior written consent of Lessor, which consent may not be unreasonably withheld unless Lessor determines that any proposed use is inconsistent with any restriction on use of the Premises contained in any lease, mortgage or other agreement or instrument by which the Lessor may be bound or to which any of the Premises may be subject.

Duties and Prohibited Conduct. Notwithstanding anything to the contrary in this Lease, Lessee shall not release any hazardous substance. Lessee shall promptly pay upon demand the amount of any increase in insurance rates caused by the Permitted Uses or by any act or acts of Lessee or its employees, agents or representatives. Lessee shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance which is unlawful. Lessee shall not, allow or cause to be released any hazardous substances on to the premises or surrounding environment excepting in accordance with generally accepted business standards and applicable laws. If Lessee's activities should, cause any releases of Hazardous Substances, then Lessee, at Lessee's sole expense, shall provide such action as may be required under the Ground Leases or otherwise necessary to eliminate such releases. Lessee, at Lessee's expense, shall comply with all applicable laws, rules, codes, regulations, orders, ordinances and permits, now or hereafter in effect, relating to the Premises or its use, occupancy or improvements or alteration of or to the Premises, and shall observe such rules and regulations as may be adopted by Lessor and made available to Lessee from time to time.

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This Lease shall be subject to all applicable zoning ordinances and to all municipal, county, state and federal laws, codes and ordinances now or hereafter in effect and regulations governing or regulating the use of the Premises.

Environmental, Health And Safety Laws. Without limiting Lessee's or Lessor's obligations under this Paragraph 16 and notwithstanding anything to the contrary in the Lease, Lessee in the exercise of its rights and the performance of its obligations under this Lease shall comply, at Lessee's expense, with all applicable local, state, or federal laws, rules, regulations, ordinances, orders and permits now existing, or as hereafter enacted, amended, or issued concerning environmental, health, or safety matters (collectively, the "Environmental Laws"). Lessee shall not use the Premises for, or permit anything to be done in or about the Premises which may subject Lessor, any guarantor, or any mortgagee under any mortgage covering the Premises, to liability for remediation costs or other damages or penalties under any Environmental Laws resulting from Lessee's use of, or conduct on, the Premises, including without limitation, the use, generation, transportation, management, handling, treatment, storage, manufacture, emission, release, disposal or deposit of any hazardous or toxic wastes, hazardous or toxic substances, any material containing hazardous wastes or hazardous substances, or any other pollutant or contaminant, as such terms may now or in the future be defined in any Environmental Laws (collectively, "Hazardous Substances"), on the Premises, adjacent surface waters, soils, underground waters, or air.

Lessor shall have the right at all reasonable times and subject to applicable U.S. Postal Service regulations upon notice to Lessee to conduct environmental investigations, including the taking of samples, for the purpose of detecting or measuring the presence of Hazardous Substances on the Premises, at Lessor's sole cost. Lessee shall keep Lessor continuously informed by written notice of all Hazardous Substances which Lessee, or any of Lessee's employees, agents, representatives, or contractors, generates, stores or otherwise allows on the Premises. Upon request by Lessor, Lessee shall provide Lessor with all other information which Lessor reasonably deems necessary or useful for the purpose of determining whether Lessee is in compliance with all applicable Environmental Laws and whether the Premises, or any part of the Premises, is contaminated by any Hazardous Substances. If Lessee or the Premises is in violation of any applicable Environmental Law, or in the event of a release of Hazardous Substances into or on the Premises or adjacent surface waters, soils, underground waters, or air, caused directly or indirectly by lessee's use or occupancy of the premises by Lessee during the term of the lease, Lessee shall (i) immediately notify Lessor in writing of such occurrence and the action necessary to correct or mitigate such occurrence, and (ii) take such action as is necessary to mitigate and correct such violation or release; provided, however, Lessee shall have no obligation to correct or mitigate any such occurrence which Lessee is able to objectively establish is due to any act of Lessor or which was present on the Premises prior to the Commencement Date of this Lease. In the event that necessary action to correct or mitigate is required, then all reasonable costs and expenses incurred by Lessor in connection with any action permitted under this Section including inspection and testing shall become immediately due and payable by Lessee upon presentation of an invoice therefor.

Lessee shall not conduct or permit others to conduct environmental testing on the Premises without first obtaining Lessor's written consent. Lessee shall promptly inform Lessor of the

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existence of any environmental study, evaluation, investigation or results of any environmental testing conducted on the Premises whenever the same becomes known to Lessee and Lessee shall provide copies to Lessor, upon request by Lessor and at no cost to Lessor.

Lessor will coordinate with appropriate local, state, or federal agencies and the Muckleshoot Indian Tribe as necessary in the execution of the construction mitigation measures outlined in the Environmental Assessment by Anderson-Kolva Associates and in obtaining necessary permits.

Paragraph 17 is applicable when a modular unit or trailer will be placed on the Demised Premises.

17. It is mutually understood that the Postal Service desires to place a modular building or trailer on the Demised Premises. The modular building or trailer, all improvements incident thereto, and all fixtures, machinery, and equipment added to said modular building or trailer, shall remain the personal property of the Postal Service and may be removed from the Demised Premises only by the Postal Service, at any time consistent with the terms of this Agreement.

18. The terms and provisions of this Agreement and the conditions herein are binding on the Postal Service, and the Owner, and all heirs, executors, administrators, successors, and assigns.

19. The following paragraphs were deleted prior to execution of this Agreement: Paragraphs 15 & 21.

20. The undersigned has completed and attached hereto Representations and Certifications.

21. Deleted.

22. Postal Service, at its expense, may at any time construct improvements on the Demised Premises consistent with this Lease and the Ground Leases. Postal Service agrees all existing improvements and all future improvements constructed on the Demised Premises shall be maintained and removed in accordance with the terms and conditions of this Lease and the terms and conditions of the Ground Leases. Lessee has purchased the improvements on the Premises previously owned by Lessor. Lessor shall have no obligation to maintain said improvements or any new improvements constructed on the Premises.

23. Owner may at any time direct Postal Service to pay all or any portion of the Base Rent or amounts due under this Lease to the Ground Lessors, and Postal Service agrees to make payments in accordance therewith.

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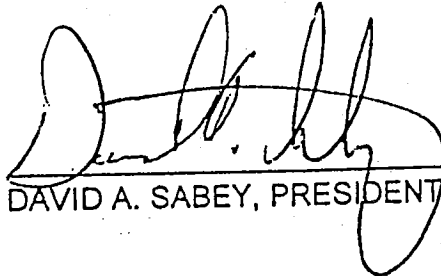
EXECUTED BY LESSOR this 27th day of December, 1995

CORPORATION

OXBOW HOLDINGS, INC. (a Washington Corporation)

Affix Corporate Seal

By:


DAVID A. SABEY, PRESIDENT

Owner: Address: 101 ELLIOTT AVE W STE 330
SEATTLE WA 99119-4220
Telephone No. (206) 281-8700
Taxpayer Id No. 91-0939403

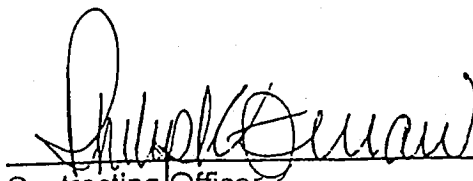

Witness

Witness

ACCEPTANCE BY THE POSTAL SERVICE

Date: 12.28.95

By:


Contracting Officer

General Conditions to USPS Sub-ground Lease

SECTION A

A.1 OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress may be admitted to any part or share of this contract, or to any benefit arising from it. This prohibition does not apply to the extent this contract is with a corporation for the corporation's general benefit.

A.2 CONTINGENT FEES

a. The offeror warrants that no person or selling agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide, established commercial or selling agencies maintained by the lessor for the purpose of obtaining business.

b. For breach or violation of this warranty, the Postal Service has the right to annul this contract without liability, or at its sole discretion, to deduct from the contract price or consideration, or otherwise recover from offer or the full amount of the commission, percentage, brokerage fee, or contingent fee.

c. Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this clause.

A.3 ASSIGNMENT OF CLAIMS

a. If this contract provides for payments aggregating \$10,000 or more, claims for moneys due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with

1. The contracting officer; and
2. The surety or sureties upon any bonds.

b. Except with the written consent of the Contracting Officer, assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.

c. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the demised premises, so long as such transfer is subject to this agreement.

A.4 EXAMINATION OF RECORDS

a. The Postal Service and its authorized representatives will, until three years after final payment under this contract, or for any shorter period specified for particular records, have access to and the right to examine any directly pertinent books, documents, papers, or other records of the contractor involving transactions related to this contract.

b. The contractor agrees to include in all subcontracts under this contract a provision to the effect that the Postal Service and its authorized representatives will, until three years after final payment under the subcontract, or for any shorter specified period for particular records, have access to and the right to examine any directly pertinent books, documents, papers, or other records of the subcontractor involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes:

1. Purchase orders; and
2. Subcontracts for public utility services at rates established for uniform applicability to the general public

A.5 GRATUITIES

a. The Postal Service may terminate this contract for default if, after notice and a hearing, the Postal Service Board of Contract Appeals determines that the contractor or the contractor's agent or other representative -

1. Offered or gave a gratuity (such as a gift or entertainment) to an officer or employee of the Postal Service; and
2. Intended by the gratuity to obtain a contract or favorable treatment under a contract.

b. The rights and remedies of the Postal Service provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

A.6 CLAIMS AND DISPUTES

a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) ("the Act").

b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.

c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the contractor seeking the payment of money exceeding \$50,000 is not a claim under the Act until certified as required by subparagraph d.2 below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it

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is disputed either as to liability or amount or is not acted upon in a reasonable time.

d.

1. A claim by the contractor must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the contractor is subject to a written decision by the contracting officer.

2. For contractor claims exceeding \$50,000, the contractor must submit with the claim a certification that

(a) The claim is made in good faith;

(b) Supporting data are accurate and complete to the best of the contractor's knowledge and belief; and

(c) The amount requested accurately reflects the contract adjustment for which the contractor believes the Postal Service is liable.

3.

(a) If the contractor is an individual, the certification must be executed by that individual.

(b) If the contractor is not an individual, the certification must be executed by

(1) A senior company official in charge at the contractor's plant or location involved; or

(2) An officer or general partner of the contractor having overall responsibility for the conduct of the contractor's affairs.

e. For contractor claims of \$50,000 or less, the contracting officer must, if requested in writing by the contractor, render a decision within 60 days of the request. For contractor-certified claims over \$50,000, the contracting officer must, within 60 days, decide the claim or notify the contractor of the date by which the decision will be made.

f. The contracting officer's decision is final unless the contractor appeals or files a suit as provided in the Act.

g. The Postal Service will pay interest on the amount found due and unpaid from-

1. The date the contracting officer receives the claim (properly certified if required); or

2. The date payment otherwise would be due, if that date is later, until the date of payment.

h. Simple interest on claims will be paid at a rate determined in accordance with the interest clause.

i. The contractor must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the

contract, and comply with any decision of the contracting officer.

A.7 EQUAL OPPORTUNITY

a. The contractor may not discriminate against employees or applicants because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, or national origin. This action must include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants, notices provided by the contracting officer setting forth the provisions of this clause.

b. The contractor must, in all solicitations or advertisements for employees placed by it or on its behalf, state that all qualified applicants will be considered for employment without regard to race, color, religion, sex, or national origin.

c. The contractor must send to each union or workers' representative with which the contractor has a collective bargaining agreement or other understanding, a notice, provided by the contracting officer, advising the union or workers' representative of the contractor's commitments under this clause, and must post copies of the notice in conspicuous places available to employees and applicants.

d. The contractor must comply with all provisions of Executive Order (EO) 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The contractor must furnish all information and reports required by the Executive order, and by the rules, regulations, and orders of the Secretary, and must permit access to the contractor's books, records, and accounts by the Postal Service and the Secretary for purposes of investigation to ascertain compliance with these rules, regulations, and orders.

f. If the contractor fails to comply with this clause or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part; the contractor may be declared ineligible for further contracts in accordance with the Executive order; and other sanctions may be imposed and remedies invoked under the Executive order or by rule, regulation, or order of the Secretary, or as otherwise provided by law.

g. The contractor must insert this clause, including this paragraph 9, in all subcontracts or purchase orders under this contract unless exempted by Secretary of Labor rules, regulations, or orders issued under the Executive order. The contractor must take such action with respect to any such subcontract or purchase order as the Postal Service may direct as a means of enforcing the terms and conditions of this clause (including sanctions for noncompliance), provided, however, that if the contractor becomes involved in, or is threatened with, litigation as a result, the contractor

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may request the Postal Service to enter into the litigation to protect the interests of the Postal Service.

h. Disputes under this clause will be governed by the procedures in 41 CFR 60-1.1.

A.8 AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA

If this contract provides for payments aggregating \$10,000 or more, the following clause is applicable.

a. The contractor may not discriminate against any employee or applicant because that employee or applicant is a disabled veteran or veteran of the Vietnam era, in regard to any position for which the employee or applicant is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination in all employment practices, such as employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training (including apprenticeship).

b. The contractor agrees that all suitable employment openings of the contractor existing at the time of the execution of this contract or occurring during its performance (including those not generated by this contract and those occurring at an establishment of the contractor other than the one where the contract is being performed, but excluding those of independently operated corporate affiliates) will be listed at an appropriate local office of the State employment service system where the opening occurs. The contractor further agrees to provide such reports to the local office regarding employment openings and hires as may be required. State and local government agencies holding Postal Service contracts of \$10,000 or more will also list all their suitable openings with the appropriate office of the State employment service.

c. Listing of employment openings with the employment service system will be made at least concurrently with the use of any other recruitment source or effort and will involve the normal obligations attaching to the placing of a bona fide job order, including the acceptance of referrals of veterans and non-veterans. The listing of employment openings does not require the hiring of any particular applicant or hiring from any particular group of applicants, and nothing herein is intended to relieve the contractor from any other requirements regarding nondiscrimination in employment.

d. Whenever the contractor becomes contractually bound to the listing provisions of this clause, it must advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. The contractor may advise the State system when it is no longer bound by this clause.

e. Paragraphs b, c, and d above do not apply to openings the contractor proposes to fill from within its own organization or under a customary and traditional employer/union hiring arrangement. But this exclusion does not apply to a particular opening once the contractor decides

to consider applicants outside its own organization or employer/union arrangements for that opening.

f. Definitions

1. "All suitable employment openings" includes openings that occur in the following job categories: production and non-production plant and office; laborers and mechanics; supervisory and non-supervisory; technical; and executive, administrative, and professional openings as are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than three days' duration, and part-time employment. It does not include openings the contractor proposes to fill from within its own organization or under a customary and traditional employer/union hiring arrangement or openings in an educational institution that are restricted to students of that institution. Under the most compelling circumstances, an employment opening may not be suitable for listing, including situations in which the needs of the Postal Service cannot reasonably be otherwise supplied, when listing would be contrary to national security, or when the requirement of listing would otherwise not be in the best interests of the Postal Service.

2. "Appropriate office of the State employment service" means the local office of the Federal/State national systems of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled.

3. "Openings the contractor proposes to fill from within its own organization" means employment openings for which persons outside the contractor's organization (including any affiliates, subsidiaries, and the parent companies) will not be considered and includes any openings the contractor proposes to fill from regularly established recall lists.

4. "Openings the contractor proposes to fill under a customary and traditional employer/union hiring arrangement" means employment openings the contractor proposes to fill from union halls as part of the customary and traditional hiring relationship existing between it and representatives of its employees.

g. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.

h. In the event of the contractor's noncompliance with this clause, action may be taken in accordance with the rules, regulations, and relevant orders of the secretary.

i. The contractor agrees to post in conspicuous places, available to employees and applicants, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. These notices state the contractor's obligation under the law to take affirmative action to employ

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and advance in employment qualified disabled veterans and veterans of the Vietnam era, and the rights of applicants and employees:

J. The contractor must notify each union or workers' representative with which it has a collective bargaining agreement or other understanding that the contractor is bound by the terms of the Act and is committed to taking affirmative action to employ, and advance in employment, qualified disabled veterans and veterans of the Vietnam era.

k. The contractor must include this clause in every subcontract or purchase order of \$10,000 or more under this contract unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so its provisions will be binding upon each subcontractor or vendor. The contractor must take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce in these provisions, including action for noncompliance.

A.9 BANKRUPTCY

In the event the contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the contractor will furnish, by certified mail, written notification of the bankruptcy to the contracting officer responsible for administering the contract. The notification must be furnished within five days of the initiation of the bankruptcy proceedings. The notification must include the date on which the bankruptcy petition was filed, the court in which the petition was filed, and a list of Postal Service contracts and contracting officers for all Postal Service contracts for which final payment has not yet been made. This obligation remains in effect until final payment under this contract.

A.10 CLEAN AIR AND WATER

The contractor agrees-

a. To comply with all the requirements of section 114 of the Clean Air Act (42 U.S.C. 7414) and section 308 of the Clean Water Act (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in section 114 of the Clean Air Act and section 308 of the Clean Water Act, and all regulations and guidelines issued to implement those acts before the award of this contract;

b. That no portion of the work required by this contract will be performed in a facility listed on the Environmental Protection Agency List of Violating Facilities on the date when this contract was awarded unless and until the EPA eliminates the name of the facility from the listing;

c. To use its best efforts to comply with clean air standards and clean water standards at the facility in which the contract is being performed; and

d. To insert the substance of this clause into any nonexempt subcontract, including this paragraph d.

A.11 DRUG-FREE WORKPLACE

a. Applicability. This clause applies to all contracts with individuals without regard to the dollar amount, and to all other contracts over \$50,000.

b. Exceptions. This clause does not apply to those contracts that are to be performed completely outside of the United States its territories, and possessions.

c. Definitions. As used in this clause:

1. "Controlled substance" means those substances identified in schedules I through V, Section 202 of the Controlled Substances Act (21 U.S.C. 812), and as further defined in 21 CFR Sections 1308.11 through 1308.15.

2. "Conviction" means a finding of guilt (including a finding based on a plea of guilty or a plea of nolo contendere) by any judicial body charged with the responsibility to determine violations of criminal drug statutes.

3. "Criminal drug statute" means a federal or non-federal criminal statute involving drug abuse.

4. "Drug abuse" means the unlawful manufacture, distributions dispensing; possession, or use of a controlled substance.

5. "Employee" means any person directly engaged in the performance of work under a Postal Service contract.

6. "Individual" means a contractor with no employees other than himself or herself.

7. "Workplace" means any site where work is being done in connection with this contract.

d. Requirements

1. Contractors, except as individuals, must provide a drug-free workplace by:

(a) Publishing, publicly posting, and furnishing each employee a statement that drug abuse in the workplace is prohibited and specifying what actions will be taken against employees for violations of the prohibition;

(b) Establishing a drug-free awareness program to inform all employees about:

(1) The dangers of drug abuse in the workplace;

(2) The contractor's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

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- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Notifying all employees that, as a condition of continued employment on this contract the employee must:
- (1) Abide by the contractor's prohibition of drug abuse in the workplace; and
 - (2) Notify the contractor of any criminal drug conviction for a violation occurring in the workplace within five (5) days of such conviction;
- (d) Notifying the contracting officer within ten (10) days of receiving a notice of a conviction from an employee or otherwise;
- (e) Instituting appropriate personnel action, up to and including termination, against an employee or requiring the employee to complete a drug abuse assistance or rehabilitation program approved by a Federal, State, local health, law enforcement, or other appropriate agency within thirty (30) days of receiving a notice of conviction; and
- (f) Making consistent and good faith efforts to maintain a drug-free workplace through implementation of paragraphs d.1.(a) through d.1.(e), above.
2. The contractor, if an individual, must not engage in drug abuse in the performance of this contract.
- e. Sanctions. Violation of the terms of this clause may be grounds for the suspension of progress payments, termination for default, and suspension or debarment from eligibility for future Postal Service contracts.

A.12 SURRENDER OF PREMISES

Lessee shall promptly and peacefully surrender the Premises to Lessor upon the termination of the Lease Term broom clean and in as good a condition as when received by Lessee from Lessor or as thereafter improved, if applicable, except for ordinary and reasonable wear and tear or as otherwise provided in the Lease; and in the event Ground Lessor provides timely notification to remove improvements in accordance with the Ground Lease, Lessor shall provide notice of such event within 180 days thereafter to Lessee, and in such event Lessee shall remove at Lessee's expense all buildings or other structures then on the Premises at the termination date of the Lease. Lessee's and Lessor's respective rights and obligations in connection with the removal of certain personal property are set forth in Paragraph 12 of the Sub-ground Lease Agreement. Lessee shall be solely responsible for, and shall repair, all damage, except for ordinary and reasonable wear and tear, arising out of its surrender of the Premises. In addition to all other requirements under this Lease, Lessee shall remove, prior to its surrender and vacation of the Premises any Hazardous

Substances released on or about the premises as a result, directly or indirectly, of lessee's use or occupancy of the Premises. At least sixty (60) days prior to the Expiration Date, or earlier date of termination of this Lease, Lessee shall demonstrate the removal of all such Hazardous Substances to Lessor's reasonable satisfaction prior to its surrender and vacation of the Premises. Without limiting the foregoing in this Paragraph, prior to its vacation and surrender of the Premises Lessee shall provide Lessor with a certificate ("Lessee's Certificate") signed by Lessee and otherwise in a form reasonably satisfactory to Lessor certifying that Lessee has fully complied with the requirements of this Paragraph and Paragraph 16 of the Sub-ground Lease Agreement, that all Hazardous Substances released on or about the premises as a result, directly or indirectly, of lessee's use or occupancy of the premises have been removed from the Premises, and that such removal is in compliance with all applicable Environmental Laws. Lessor, in its sole discretion, may require that Lessee's Certificate include written certification from an independent environmental testing consultant reasonably acceptable to Lessor that such Hazardous Substances are not present on the Property. In the event that Lessee fails to provide Lessor with Lessee's Certificate in accordance with this Paragraph, then Lessor may obtain, at Lessee's expense, certification from an independent environmental testing consultant that no Hazardous Substances are present on the Premises.

A.13 INDEMNIFICATION

To the extent permitted by law, Lessee agrees to indemnify and hold harmless Lessor, and any mortgagee or lessor of the demised premises or any portion thereof, from and against any and all claims, actions, damages, liabilities, losses, costs and expenses, including attorneys' fees, resulting from (i) the use of the demised premises by Lessee or its sublessee's or assigns during the original term or any renewal term of this Lease or (ii) the negligence or wrongful act or omission of Lessee or its employees while acting within the scope of their employment where Lessee, if a private person, would be liable in accordance with the law of the place where the negligence or wrongful act or omission occurred, provided Lessee shall be under no obligation to save harmless or indemnify Lessor from its own acts or negligence or the acts or negligence of its employees or agents and Lessor shall pay its prorata share based to the extent its act or negligence is proportionately responsible for the claim, action, liability, loss or damage. i.e. if Lessor, its employees or agents are twenty five percent responsible, Lessor shall pay twenty five percent of the claim, actions, liability, loss or damage.

A.14 INSURANCE.

a. Owner's Insurance. Owner shall procure and maintain policies of insurance for liability, casualty and such other policies of insurance as required under the Ground Leases. Owner shall require such policies to name Postal Service as additional insured to the extent permitted by insurance practice. Any and all costs of procuring and maintaining such policies of insurance by Owner shall be reimbursed by Postal Service in the manner set forth for the payment of Base Rent as set forth in this Lease.

b. The parties hereto agree that additional requirements for insurance have not been included in this agreement in

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recognition of the status of the USPS as an establishment of the executive branch of the United States government and in reliance upon the representations of the USPS that it will be self-insured. USPS specifically agrees to provide policies of insurance in such types and in such amounts and containing such conditions as shall be reasonably required by Owner should the USPS at any time during this agreement cease to be an entity of the government of the United States of America.

A.15 LIENS

Postal Service shall keep its interest in this Lease, any property of Postal Service located on the Demised Premises, and the Demised Premises free from any liens. In the event any lien is filed against the Demised Premises, or any portion thereof, Postal Service shall immediately either cause such lien to be released of record or furnish to Owner a bond satisfactory to Owner."

A.16 DEFAULT BY POSTAL SERVICE AND BY OWNER

No term, covenant or condition of this Lease shall be deemed to have been waived by Lessor or Lessee unless such waiver is in writing and signed by the party to be bound by said waiver.

A.17 REMOVAL OF PROPERTY

If Postal Service fails to remove any property from the Demised Premises which Postal Service is required to remove under the Lease at the termination of this Lease or when Owner has the right of re-entry, Owner may upon 30-day notice remove and store said property without liability for loss thereof or damage thereto and such storage shall be for the account and at the expense of Postal Service. If Postal Service fails to pay the cost of storing any such property after it has been stored for a period of thirty (30) days or more, Owner may, at its option, sell, or permit to be sold, any or all such property at public or private sale, in such manner and at such times and places as Owner in its sole discretion may deem proper, with 30-day notice to Postal Service, unless different notice is required under applicable statutes, and shall apply the proceeds of such sale first, to the cost and expense of such sale, including reasonable attorneys' fees actually incurred; second, to the payment of the costs or charges for storing any such property; third, to the payment of any other sums of money which may then be or thereafter become due Owner from Postal Service under any of the terms of this Lease; and, fourth, the balance, if any, shall be paid to Postal Service.

A.18 CONDEMNATION

a. If all of the Premises, or such portion as may be required for the reasonable use of the Premises, in Lessor's determination, are taken by eminent domain, this Lease shall automatically terminate as of the date title vests in the condemning authority and all Base Rent, Additional Rent and other payments shall be paid to that date.

b. In the event of a taking by eminent domain of a material part of but less than all of the Premises, if Lessor and Lessee mutually determine that the remaining portions of the

Premises cannot be economically and effectively used by Lessee (whether on account of physical, economic, aesthetic or other reasons) or if Lessor and Lessee determines the Premises should be restored in such a way as to materially alter the Premises, then Lessor shall forward a written notice to Lessee of such determination not more than 60 days after the date of taking. The term of this Lease shall expire upon the date specified by Lessor in such notice but not earlier than 60 days after the date of such notice.

c. Subject to the provisions of the preceding Paragraph 18.b., in case of taking by eminent domain of a part of the Premises, or a portion of the Premises not required for the reasonable use of the Premises, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of the Premises is reduced, such Rent reduction to be effective as of the date title to such portion vests in the condemning authority.

d. Except as provided in Paragraph A.18 e. below, Lessor reserves all rights to damages to the Premises (including buildings and improvements) for any partial, constructive, or entire taking by eminent domain, and Lessee shall make no claim against Lessor for damages for termination of the leasehold interest or interference with Lessee's business.

e. In the event eminent domain is by other than the U.S. Postal Service, its successors or assigns then, and only then, Lessee shall share in the damages to be awarded as a result of the taking. In such event, the condemnation award shall be divided between Lessor and Lessee in proportion to the appraised values of their respective estates in the land and the improvements taken. In determining the appraised value the appraiser shall assume that the buildings being condemned would have remained on the Premises during the remainder of the Lease Term and the value shall be determined using the appraisal procedure as set forth in paragraph 4.1 of the Desimone Ground Lease.

A.19 OWNER'S LIABILITY

Notwithstanding anything in this Lease to the contrary, covenants, undertakings and agreements herein made on the part of Owner in this Lease are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Owner personally or the assets of Owner except Owner's interest in the Demised Premises, but are made and intended for the purpose of binding only the Owner's interest in the Demised Premises, as the same may from time to time be encumbered. No personal liability or personal responsibility is assumed by Owner, nor shall at any time be asserted or enforceable against Owner or its heirs, legal representatives, successors or assigns on account of the Lease or on account of any covenant, undertaking or agreement of Owner in this Lease.

A.20 ESTOPPEL CERTIFICATES

Postal Service shall, from time to time upon the written request of Owner, execute, acknowledge and deliver to Owner or its designee a written statement within 30 days of receiving the written request stating: the Commencement Date and Expiration Date; the amount of Base Rent and the date to which such Base Rent has been paid; and also, except as otherwise stated that this Lease is in full force and

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effect, that this Lease represents the entire agreement between the parties as to this leasing, that there are no existing claims, defenses or offsets which Postal Service has against enforcement of the Lease by Owner, that there are no uncured defaults in Owner's performance and that not more than one month's Base Rent has been paid in advance. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Owner's interest or assignee of any mortgage upon Owner's interest in the Demised Premises.

A.21 GENERAL

a. Headings. Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of this Lease.

b. Heirs and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Owner and Postal Service and their respective heirs, executors, administrators, successors and assigns.

c. Entire Agreement. This Lease contains all covenants and agreements between Owner and Postal Service relating in any manner to the leasing, use and occupancy of the Demised Premises, to Postal Service's use of the Demised Premises and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by Owner and Postal Service.

d. Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

e. Force Majeure. Except for the payment of Base Rent, time periods for Postal Service's or Owner's performance under any provisions of this Lease shall be extended for periods of time during which Postal Service's or Owner's performance is prevented due to circumstances beyond Postal Service's or Owner's respective control, including without limitation, strikes, embargoes, shortages of labor or materials, governmental regulations, acts of God, war or other strife.

f. Quiet Enjoyment. Owner agrees that Postal Service, upon paying the Base Rent and performing all other terms, covenants and conditions of this Lease to be performed by Postal Service, may quietly have, hold and enjoy the Demised Premises from and after the commencement date on which Owner delivers possession of the Demised Premises to Postal Service until the Expiration Date, subject, however, to the provisions of Paragraph A.18 (Condemnation) and Paragraph A.23 (Damage & Destruction).

g. Survival. The representations, warranties and indemnification obligations of the parties to this Lease shall survive the termination or expiration of this Lease.

A.22 NOTICES

Any notice to Owner provided under this Lease or under any law or regulation must be in writing and may be hand delivered or mailed at an address to be specified. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and may be hand delivered or mailed, addressed to "Contracting Officer, US Postal Service" at an address to be specified; provided, notices permitted or required under the Lease which are sent by mail shall be sent by registered or certified mail (return receipt requested), and notices mailed or given as provided in this paragraph shall be deemed given and received 72 hours after the date of such mailing, or at the time of personal delivery.

A.23 DAMAGE OR DESTRUCTION OF PREMISES.

a. Except as provided in Paragraph A.23.b. if the Premises is damaged or destroyed by fire or any other casualty or cause ("casualty"), this Lease shall continue in full force and effect and without abatement, deduction or offset of Rent or Additional Rent, unless mutually agreed otherwise by Lessor and Lessee, and Lessee shall promptly and diligently repair and restore the Premises to tenable condition and in substantially the same condition (or comparable value) as the Premises were before said Casualty to the reasonable satisfaction of Lessor or Lessor's lender, if applicable, in accordance with the terms of any mortgage. Lessor, subject to the terms and rights of any lender holding a mortgage or lien on the Premises, agrees to contribute to Lessee the proceeds of any insurance policy, including business interruption, insuring the improvements on the Premises received by Lessor upon the completion of the repairs and restoration of the improvements so insured or in accordance with payment procedures agreed to by Lessor's lender. Said proceeds shall be maintained in a mutually satisfactory escrow until said repairs and restorations are complete.

b. If during the last five (5) years of the Lease term the Premises is damaged or destroyed by fire or any other casualty or cause ("Casualty"), which is covered by one of the insurance policies Lessor is required to maintain pursuant to Paragraph A.14, and said building cannot, in the opinion of the Lessor's architect, be restored for normal occupancy and use by Lessee within one hundred eighty (180) days of said destruction and Ground Lessor has previously requested said building should be removed at the end of the term of the Lease, then at the option of the Lessee, this Lease can be terminated upon written notice to Lessor and all rents payable under the lease shall terminate. In which case, any insurance proceeds shall be for the sole and exclusive benefit of Lessor. No damages, compensation or claim shall be payable by Lessor for inconvenience, loss of business or annoyance arising from any damage or destruction, repair or restoration of any portion of the Premises. Lessor and Lessee shall use reasonable efforts to effect such repairs promptly.

A.24 SUBORDINATION & ATTORNMENMENT

24.1 Subordination. Within twenty (20) days after written request by Lessor, Lessee shall subordinate this Lease to any

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mortgage, deed of trust or any other hypothecation for security ("Mortgage"), whether existing at the date hereof or subsequently to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof; provided that the holder of such Mortgage enters into a nondisturbance agreement with Lessee, which provides in substance that this Lease shall not be terminated in case of any foreclosure or sale pursuant to the terms of the Mortgage so long as Lessee's interests have not been terminated in accordance with the terms of this Lease and Lessee attorns to the purchaser, and that such mortgagee will recognize this Lease, abide and be bound by its terms. Lessor shall request of the holder of any mortgage that the language in the nondisturbance agreement specifically provide (i) that Lessee's possession of the Premises will not be disturbed as long as Lessee is not in default under this Lease, (ii) that neither Lessee nor any Sublessee nor assignee of Lessee will be joined in a foreclosure or realization proceeding, unless such joinder is necessary for the effectiveness of such proceeding, and (iii) that no such proceeding, or any bankruptcy, reorganization, sale or other action or proceeding instituted under or in connection with the Mortgage shall adversely affect Lessee's possession or enjoyment of the Premises.

24.2 Attornment. In the event of foreclosure or the exercise of the power of sale under any mortgage or deed of trust made by Lessor covering the Premises, Lessee shall attorn to the purchaser upon such foreclosure or sale and recognize such purchaser as the Lessor under this Lease, provided said purchaser expressly agrees in writing to be bound by the terms of the Lease.

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SECTION B

B.1 TYPE OF BUSINESS ORGANIZATION

The offeror, by checking the applicable blocks, represents that it--

- a. Operates as ☒ a corporation incorporated under the laws of the State of Washington
☐ an individual, ☐ a partnership, ☐ a joint venture, ☐ a nonprofit organization, or ☐ an educational institution; and
- b. Is a ☐ small business concern, ☐ minority-owned enterprise, ☐ woman-owned business, ☐ labor surplus area concern,
☐ educational or other non-profit organization, or ☒ none of the above entities.
- c. **SMALL BUSINESS CONCERN.** A small business concern for the purposes of Postal Service procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operations in which it is submitting an offer, and is of a size consistent with the standards set forth by SBA in CFR Part 121, or if no standard has been established, then of a size employing not more than 500 employees. (Also see USPS Procurement Manual, Chapter 10, Section 1.)
- d. **MINORITY BUSINESS ENTERPRISE.** A minority business enterprise is a concern of which at least 51 percent is owned by, and of which the management and daily business operations are controlled by, one or more members of a minority group. (For the purpose of this definition, minority group members are United States citizens who are black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans. "Native Americans" means American Indians, Eskimos, Aleuts, native Hawaiians. "Asian-Pacific Americans" means those whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands, the Northern Marianas Islands, Laos, Kampuchea, or Taiwan. "Asian-Indian Americans" means those whose origins are in India, Pakistan, or Bangladesh.)
- e. **WOMAN-OWNED BUSINESS.** A woman-owned business is a business which is at least 51 percent owned, controlled, and operated by a woman or women. Controlled is defined as exercising the power to make policy decisions. Operated is defined as actively involved in the day-to-day management.
- f. **LABOR SURPLUS AREA.** A geographical area which at the time of award is either a section of concentrated unemployment or underemployment, a persistent labor surplus area, or a substantial labor surplus area, as defined in this paragraph.
1. Section of concentrated unemployment or underemployment means appropriate sections of States or labor areas so classified by the Secretary of Labor.
 2. Persistent labor surplus area means an area which is classified by the Department of Labor as an area of substantial and persistent labor surplus (also called Area of Substantial and Persistent Unemployment) and is listed as such by that Department in conjunction with its publication Area Trends in Employment and Unemployment.
 3. Substantial labor surplus area means an area which is classified by the Department of Labor as an area of substantial labor surplus (also called Area of Substantial Unemployment) and which is listed as such by that Department in conjunction with its publication Area Trends in Employment and Unemployment.
- g. **LABOR SURPLUS AREA CONCERN.** A firm which will perform or cause to be performed a substantial proportion of a contract in a labor surplus area.
- h. **EDUCATIONAL OR OTHER NON-PROFIT ORGANIZATION.** Any corporation, foundation, trust, or other institution operated for scientific or educational purposes, not organized for profit, no part of the net earnings of which inures to the profits of any private shareholder or individual.

B.2 PARENT COMPANY AND TAXPAYER IDENTIFICATION NUMBER

- a. A parent company is one that owns or controls the basic business policies of an offeror. To own means to own more than 50 percent of the voting rights in the offeror. To control means to be able to formulate, determine, or veto basic business policy decisions of the offeror. A parent company need not own the offeror to control it; it may exercise control through the use of dominant minority voting rights, proxy voting, contractual arrangements, or otherwise.

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Representations and Certifications**

b. Enter the offeror's Taxpayer Identification Number (TIN) in the space provided. The TIN is the offeror's Social Security Number or other Employee Identification Number used on the offeror's Quarterly Federal Tax Return, U.S. Treasury Form 941.

Offeror's TIN: _____ (b) (4) _____

c. ☐ Check this block if the offeror is owned or controlled by a parent company.

d. If the block above is checked, provide the following information about the parent company:

Parent Company's Name: _____

Parent Company's Main Office Address: _____

No. and Street: _____

City: State: _____ Zip Code: _____

Parent Company's TIN: _____

e. If the offeror is a member of an affiliated group that files its federal income tax return on a consolidated basis (whether or not the offeror is owned or controlled by a parent company, as provided above) provide the name and TIN of the common parent of the affiliated group:

Name of Common Parent: _____

Common Parent's TIN: _____

B.3 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION

a. By submitting this proposal, the offeror certifies, and in the case of a joint proposal each party to it certifies as to its own organization, that in connection with this solicitation-

1. The prices proposed have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to the prices with any other offeror or with any competitor;

2. Unless otherwise required by law, the prices _____ have not been and will not be knowingly disclosed by the offeror before award of a contract, directly or indirectly to any other offeror or to any competitor; and

3. No attempt has been made or will be made by the offeror to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.

b. Each person signing this proposal certifies that-

1. He or she is the person in the offeror's organization responsible for the decision as to the prices being offered herein and that he or she has not participated, and will not participate, in any action contrary to paragraph a above; or

2. He or she is not the person in the offeror's organization responsible for the decision as to the prices being offered but that he or she has been authorized in writing to act as agent for the persons responsible in certifying that they have not participated, and will not participate, in any action contrary to paragraph a above, and as their agent does hereby so certifies and he or she has not participated, and will not participate, in any action contrary to paragraph a above.

c. Modification or deletion of any provision in this certificate may result in the rejection of the proposal as unacceptable. Any modification or deletion should be accompanied by a signed statement explaining the reasons and describing in detail any disclosure or communication.

B.4 CONTINGENT FEE REPRESENTATION

a. The offeror must complete the following representations:

1. The offeror ☐ has ☒ has not employed or retained any company or person (other than a full-time bona fide employee working solely for the offeror) to solicit or secure this contract.

U.S. Postal Service
Facilities Department
Representations and Certifications

2. The offeror ☐ has ☒ has not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the offeror) any fee, commission, percentage, or brokerage fee, contingent upon or resulting from the award of this contract.

b. If either representation is in the affirmative, or upon request of the contracting officer, the offeror must furnish, in duplicate, a completed Form 7319, "Contractor's Statement of Contingent or Other Fees", and any other information requested by the contracting officer. If the offeror has previously furnished a completed Form 7319 to the office issuing this solicitation, it may accompany its proposal with a signed statement-

1. Indicating when the completed form was previously furnished;
2. Identifying the number of the previous solicitation or contract, if any, in connection with which the form was submitted; and
3. Representing that the statement on the form is applicable to this proposal.

B.5 CERTIFICATION OF NONSEGREGATED FACILITIES

a. By submitting this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract.

b. As used in this certification, "segregated facilities" means any waiting rooms, work areas, rest rooms or wash rooms, restaurants or other eating areas, time clocks, locker rooms or other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, or housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise.

c. The offeror further agrees that (unless it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors before awarding subcontracts exceeding \$10,000 that are not exempt from the provisions of the Equal Opportunity clause; that it will retain these certifications in its files; and that it will forward the following notice to these proposed subcontractors (except when they have submitted identical certifications for specific time periods)

NOTICE

A certification of nonsegregated facilities must be submitted before the award of a subcontract exceeding \$10,000 that is not exempt from the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (quarterly, semiannually, or annually).

B.6 CLEAN AIR AND WATER CERTIFICATION

a. This certification applies only if (1) the offer exceeds \$100,000, (2) the offer is for an indefinite-quantity and indicates that orders for estimating quantities will exceed \$100,000 in any year, (3) a facility to be used is listed on the EPA List of Violating Facilities because of a criminal conviction, or (4) the contract is not otherwise exempt.

b. The offeror (1) certifies, by checking the applicable box, that any facility to be utilized in the performance of the proposed contract ☐ is, ☒ is not, listed on the Environmental Protection Agency List of Violating Facilities as of the date of this proposal, and (2) agrees to notify the contracting officer promptly if any communication is received from the Environmental Protection Agency before contract award indicating that any such facility is under consideration for inclusion on this List.

B.7 LEASES BETWEEN THE POSTAL SERVICE AND ITS EMPLOYEES, CONTRACT EMPLOYEES, OR BUSINESS ORGANIZATIONS SUBSTANTIALLY OWNED OR CONTROLLED BY POSTAL SERVICE EMPLOYEES OR CONTRACT EMPLOYEES

By submitting this proposal, the offeror certifies that it is not an employee, a personal service contract employee or a member of the immediate family of a Postal Service employee or personal service contract employee or a business organization (partnership, corporation, joint venture, etc.) substantially owned or controlled by a Postal Service employee, a personal service contract employee, or a member of the immediate family of a Postal Service employee or personal service contract employee. "Immediate family" means spouse, minor child or children, and other individuals related to the employee by blood who are residents of the employee's household.

Assessor's Parcel Number: 042304-9057-08; 042304-9186-02; 042304-9189-09; 042304-9190-05

a. Lessor shall provide Lessee with a billing for general real estate taxes covering the Premises and/or the underlying real property within sixty (60) days of the date such taxes, or installment thereof, become due. Lessee shall pay Lessor, as additional rent, for the amounts set forth in Lessor's billing within thirty (30) days of Lessee's receipt of Lessor's billing. Lessor shall provide Lessee with proof of payment covering the general real estate taxes evidenced by Lessor's billing with sixty (60) days of Lessor's receipt of such payment from Lessee. If Lessor fails to provide proof of payment with Lessor's billing, Lessee shall have the option to make the next payment jointly to Lessor and the appropriate taxing authority. Lessor must present such billing and subsequent proof of payment to the office shown in Paragraph (d) of this Tax Rider. With respect to any general real estate taxes which may be levied against or upon the Premises, or which under the laws then in force may be evidenced by improvement or other bonds, which may be paid in installments, only the amount of such installment (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the general real estate taxes levied against the Premises.

The Lessor shall pay the general real estate taxes covered herein at such time and in such manner and amount as to obtain any discount allowed by the taxing authority and before any fine, penalty, interest, or cost may be imposed for late or nonpayment. In the event the Lessor fails to pay the general real estate taxes at such time and in such manner and amount and such failure results in the addition of any fine, penalty, interest, or cost to the amount of tax, or the loss of any discount which would have been allowed by the taxing authority for prompt or early payment, the Lessor will be responsible and liable for payment of such fines, penalty, interest, cost, or the amount of lost discount unless said failure to pay is caused directly or indirectly by the actions or lack of actions of the USPS. The Postal Service will be liable only for payment of the net taxes less such discount as would have been allowed for prompt or early payment.

For purposes of the Lease, "general real estate taxes" shall include any form of assessment including ad valorem assessment, levy, bonded indebtedness, tax, tap charge or similar charge (other than inheritance, estate, net income or franchise taxes) imposed by any authority having the direct or indirect power to tax, including any city, county, state or federal government or any school, agricultural, lighting, drainage or other improvement district thereof.

b. If a part of the general real estate taxes applies to any period prior to the commencement of this lease or subsequent to the expiration of the term of this lease and the remainder of the general real estate taxes applies to the period of time within the term of this lease, the Postal Service will be liable for only that portion of said taxes applying to the period of time within the term of the lease.

c. In the event that general real estate taxes for any tax year or part thereof within the term demised apply to the land only, the provisions of this entire article will be and

remain operative in the same manner and to the same extent as though said taxes applied to both land and buildings.

d. The lessor must furnish the Postal Service copies of all notices which may affect the valuation of said land and buildings for general real estate tax purposes or which may affect the levy or assessment of general real estate taxes thereon.

In the event that the lessor does not furnish such notices relating to valuation changes, and a protest or appeal of this assessment valuation in a subsequent year demonstrates that the valuation was excessive, the lessor will be charged, retroactively, an amount represented by the overpayment of taxes attributable to the excessive assessment, for the year that the lessee lost the opportunity to appeal.

Such notices and tax bills must be delivered or mailed within three days from the receipt thereof by the lessor to:

Contracting Officer
Facilities Service Office
225 N. Humphreys Boulevard
Memphis, TN 38166-0300

or to such other office as the Postal Service may later direct in writing. The lessor must pay said general real estate taxes under protest when requested to do so by the Postal Service. The Postal Service may contest the validity of any valuation for general real estate tax purposes or of any levy or assessment of any general real estate taxes by appropriate legal proceedings either in the name of the Postal Service or in the name of the lessor or in the names of both. The lessor, upon reasonable notice and request by the Postal Service, must join in any proceedings, but will not be subject for the payment of penalties, costs, or legal expenses in connection with any proceedings brought by the Postal Service. The Postal Service hereby covenants to indemnify and save harmless the lessor from any such penalties, costs, or expenses. The lessor must cooperate with the Postal Service in any such proceeding and execute any document or pleadings required for such purpose provided the lessor will be reasonably satisfied that the facts and data set forth in such documents or pleadings are accurate.

e. As the payer of the general real estate taxes, the Postal Service is entitled to any and all monies obtained through refunds and remissions of general real estate taxes that have been paid in any year subsequent to the commencement of the lease. In the event that any of the monies paid as general real estate taxes, in accordance with terms noted above, are refunded to the lessor, as a result of an assessment appeal or protest actions, the settlement of such action, or for any other reason whatsoever, such refunded monies must be forwarded within ten days to the Postal Service. If lessor is informed that he is entitled to a refund or remission of monies paid as general real estate taxes upon the submission of an application, the lessor will promptly make and file such application and upon receipt of such refund or remission, forward it within ten (10) days to the Postal Service. The Postal Service reserves the right to offset refund and remission payments not so forwarded, against rental or other payments due the lessor.

f. If any taxes are assessed or levied upon trade fixtures, furnishings, equipment or other personal property of Lessee contained in the Premises or on the Land, Lessee shall pay said taxes prior to delinquency. When possible, Lessee shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of the Lessor.

g. Lessor shall, as soon as is reasonably possible cause to be created separate tax parcel(s) for the premises. Once separate tax parcels are created, the USPS shall pay all applicable real estate taxes directly to the applicable governmental agency. In the event the Premises and/or the underlying real property are not separately assessed, Lessee's liability shall be an equitable proportion of the real property taxes for all of the land and/or improvements included within the tax parcel, or parcels, assessed, such proportion to be mutually determined by Lessor and Lessee from the respective valuations assigned in the Assessor's worksheets or such other information as may reasonably be available to Lessor."

h. The Lessee may contest the validity of any valuation for general real estate tax purposes or of any levy or assessment of any general real estate taxes by appropriate legal proceeding either in the name of the Postal Service or in the name of the Lessor or in the names of both. The Lessor, upon reasonable notice and request by the Postal Service, must join in any proceedings, but will not be subject for the payment of penalties, costs, or legal expenses in connection with any proceedings brought by the Postal Service. The Postal Service hereby covenants to indemnify and save harmless the Lessor from any such penalties, costs, or expenses. The Lessor must cooperate with the Postal Service in any such proceeding and execute any document or pleadings reasonably required for such purpose provided the lessor will be reasonably satisfied that the facts and data set forth in such documents or pleadings are accurate. Lessee shall reimburse Lessor for all costs and expenses incurred by Lessor in connection with said proceedings.

STATE OF Washington)
COUNTY OF King) ss.

On this 27th day of DEC, 1995, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared David A. Sabey, to me known to be the President of Oxbow Holdings, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.

SHARON V. Signorelli
NOTARY PUBLIC in and for the State
of Washington, residing at

Seattle
Printed Name: SHARON V. SIGNORELLI
My commission expires: 1-30-99

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL A:

THAT PORTION OF THE SOUTHEAST 1/4 OF SECTION 4, TOWNSHIP 23 NORTH,
RANGE 4 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF GOVERNMENT LOT 11 IN SAID SECTION 4;

THENCE ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 11, SOUTH 89°22'06" EAST, 988.27 FEET;

THENCE NORTH 14°45'08" WEST, 477.09 FEET TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH 460 FEET OF SAID GOVERNMENT LOT 11 OF SECTION 4 AND THE NORTHEASTERLY MARGIN OF PRIMARY STATE HIGHWAY NO. 1 AS ESTABLISHED BY KING COUNTY SUPERIOR COURT CAUSE NO. 529021;

THENCE ALONG SAID NORTHEASTERLY MARGIN, NORTH 14°45'08" WEST, 689.81 FEET TO THE SOUTHWESTERLY MARGIN OF THAT 200 FOOT SEATTLE TRANSMISSION LINE AS ESTABLISHED BY ORDINANCE NO. 82986 OF THE CITY OF SEATTLE, AS CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 469557 AND THE TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTHEASTERLY MARGIN, NORTH 14°45'08" WEST, 22.70 FEET TO A POINT OF SPIRAL CURVATURE;

THENCE CONTINUING ALONG SAID NORTHEASTERLY MARGIN ALONG A SPIRAL CURVE TO THE LEFT, THE CHORD OF WHICH BEARS NORTH 15°07'51" WEST, 152.94 FEET TO A POINT OF SIMPLE CURVATURE;

THENCE CONTINUING ALONG SAID NORTHEASTERLY MARGIN, NORTHWESTERLY 340.67 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 3970.00 FEET, THE RADIUS POINT OF WHICH BEARS SOUTH 74°07'22" WEST, THROUGH A CENTRAL ANGLE OF 04°55'00";

THENCE CONTINUING ALONG SAID NORTHEASTERLY MARGIN, NORTH 11°24'57" EAST, 327.11 FEET;

THENCE NORTH 48°11'44" EAST, 218.98 FEET;

THENCE SOUTH 41°52'51" EAST, 627.47 FEET;

THENCE NORTH 48°05'28" EAST, 406.88 FEET TO A LINE 225 FEET NORTHEASTERLY OF AND PARALLEL WITH THE SOUTHEASTERLY EXTENSION OF THE CENTERLINE OF A PROPOSED WATERWAY CHANNEL CHANGE (1910-1911);

THENCE SOUTH 41°52'02" EAST ALONG SAID PARALLEL LINE, 845.54 FEET TO THE TOP OF BANK AS SURVEYED BY ESM, INC. IN JULY OF 1995;

THENCE ALONG SAID TOP OF BANK THE FOLLOWING COURSES AND DISTANCES:

SOUTH 29°20'42" WEST, 53.28 FEET;
SOUTH 43°22'42" WEST, 35.67 FEET;
SOUTH 50°15'08" WEST, 67.29 FEET;
SOUTH 42°14'18" WEST, 48.34 FEET;
SOUTH 47°03'51" WEST, 51.45 FEET;
SOUTH 57°58'28" WEST, 51.61 FEET;
SOUTH 47°55'09" WEST, 42.51 FEET;
SOUTH 60°43'19" WEST, 69.63 FEET;
SOUTH 71°48'09" WEST, 57.65 FEET;
SOUTH 57°30'32" WEST, 53.02 FEET;
SOUTH 53°27'19" WEST, 22.34 FEET;
SOUTH 52°10'04" WEST, 28.28 FEET;
SOUTH 54°16'49" WEST, 45.18 FEET;
SOUTH 22°51'10" WEST, 49.00 FEET;
SOUTH 44°05'09" WEST, 54.63 FEET;
SOUTH 45°44'59" WEST, 83.74 FEET;
SOUTH 55°17'02" WEST, 55.45 FEET;
SOUTH 75°04'06" WEST, 48.21 FEET;

NORTH 74°36'00" WEST, 37.10 FEET TO SAID SOUTHWESTERLY MARGIN OF SAID SEATTLE TRANSMISSION LINE;
THENCE ALONG SAID SOUTHWESTERLY MARGIN, NORTH 56°13'15" WEST, 759.40 FEET TO THE TRUE POINT OF BEGINNING;

TOGETHER WITH ANY PORTION OF SAID SECTION 4 ADJOINING THE ABOVE DESCRIBED TOP OF BANK AND BEING SOUTHWESTERLY OF SAID LINE WHICH IS 225 FEET NORTHEASTERLY OF AND PARALLEL WITH THE SOUTHEASTERLY EXTENSION OF THE CENTERLINE OF A PROPOSED WATERWAY CHANNEL CHANGE (1910-1911) AND BEING NORTHWESTERLY OF THE DUWAMISH RIVER AND BEING NORTHEASTERLY OF SAID SOUTHWESTERLY MARGIN OF THE 200 FOOT SEATTLE TRANSMISSION LINE;

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

THAT PORTION OF GOVERNMENT LOT 11 IN SECTION 4, TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., LYING NORTHEASTERLY OF THE NORTHEASTERLY MARGIN OF PRIMARY STATE HIGHWAY NO. 1, AS ESTABLISHED BY KING COUNTY SUPERIOR COURT CAUSE NO. 529021 AND LYING SOUTHWESTERLY OF THE SOUTHWESTERLY MARGIN OF THE SEATTLE TRANSMISSION LINE AS ESTABLISHED BY ORDINANCE NO. 82986 OF THE CITY OF SEATTLE, AS CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 469557 AND LYING NORTHWESTERLY OF THE DUWAMISH RIVER;

EXCEPT THE SOUTH 460 FEET OF SAID GOVERNMENT LOT 11;

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.

Facility Name:

GENERAL MAIL FACILITY - OXBOW BLDGS 250 & 252

SEATTLE, WA 98134-9998

KING COUNTY

The undersigned, City of Seattle, a municipal corporation, as Ground Lessor under that certain Ground Lease dated June 1, 1987, with regard to the real property situated at:

Oxbow - Buildings 250 & 252, Seattle, Washington 98134-9998

hereby consents to the leasing of said property to the U.S. Postal Service and agree for itself and its successors, executors, administrators, and assigns that in the event Sabey Corporation, the Ground Lessee, defaults under the Ground Lease, the undersigned Ground Lessor will not disturb said the U.S. Postal Service quiet use and possession on account of said default so long as the U.S. Postal Service pays rent and other monetary sums due under the Ground Lease, and performs in accordance therewith.

The undersigned also consents to the attached Sub-ground lease which will be entered into at closing in the event the Postal Service exercises the Option to Purchase contained in the lease and agrees for themselves their successors, executors, administrators, and assigns that in the event Sabey Corporation, the Ground Lessee, defaults under the ground lease, the undersigned Ground Lessor will not disturb the U.S. Postal Service quiet use and possession on account of said default so long as the Postal Service pays to the Ground Lessor all sums due under the sub-ground lease. The undersigned acknowledges that the U.S. Postal Service is obligated only to the extent provided in the Ground Sublease attached hereto.

It is expressly understood that the undersigned shall have no responsibility for construction of the Lessee Improvements as set forth in Section 1.1 of the lease with the U.S. Postal Service, nor shall the undersigned receive any compensation to be paid for the construction of said Lessee Improvements.

Witness

City of Seattle, Ground Lessor

By:

Max Nichols

Its: Acting Director of Facilities

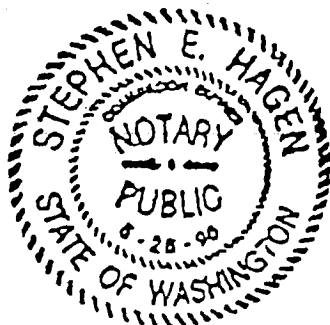
1015 3rd Avenue

Street Address

Seattle, Washington 98104-1198

City, State and ZIP + 4

subscribed and sworn to before me, a notary public, in and for King County, State of Washington, this 13th day of October, 1995.



Stephen E. Hagen
Notary Public in and for the
State of Washington,

My appointment Expires May 28, 1996

STEPHEN E. HAGEN
Print Name

DFT 002213